

Senate Bill No. 1380

Passed the Senate August 28, 2008

Secretary of the Senate

Passed the Assembly August 20, 2008

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 11462, 18358, 18358.05, 18358.10, 18358.15, 18358.20, 18358.23, 18358.25, and 18358.30 of, and to add Section 18358.37 to, the Welfare and Institutions Code, relating to foster care.

LEGISLATIVE COUNSEL'S DIGEST

SB 1380, Steinberg. Foster care.

Existing law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers on behalf of qualified children in foster care, pursuant to a schedule of basic rates. The program is funded by a combination of federal, state, and county funds, with moneys from the General Fund being continuously appropriated to pay for the state's share of AFDC-FC costs. Existing law, commencing January 1, 2008, increased by specified percentages and amounts the rate schedules applicable to AFDC-FC payments for group homes and other designated foster care placements, according to the facility's rate classification level (RCL) as established by the State Department of Social Services, pursuant to the assignment of specified point ranges. These point ranges are adjusted for group home programs that receive AFDC-FC payments for services performed during the 2002–03 through 2007–08 fiscal years, inclusive.

This bill would extend the applicability of the adjusted point ranges designating each RCL, through the 2008–09 fiscal year. This bill would declare that no appropriation would be made for purposes of the bill.

Existing law requires the State Department of Social Services to implement programs of intensive treatment foster care (ITFC) for eligible children, as specified.

This bill would revise various eligibility, operational, reporting, and foster parent training components of ITFC programs.

Under existing law, one of the criteria that must be met for a child to be an eligible child under the program is that he or she be emotionally disturbed.

This bill would, instead, provide that the child either be emotionally disturbed or have a serious behavioral problem. This bill would recast and revise the services a foster family agency would be required to provide, or arrange for provision of, on behalf of children in the ITFC program.

This bill would require the department to develop, in consultation with counties, providers, and other interested parties, cost reporting, claiming, and other procedures necessary for the effective implementation of the intensive foster care treatment program, including the maximization of federal financial participation.

The people of the State of California do enact as follows:

SECTION 1. Section 11462 of the Welfare and Institutions Code is amended to read:

11462. (a) (1) Effective July 1, 1990, foster care providers licensed as group homes, as defined in departmental regulations, including public child care institutions, as defined in Section 11402.5, shall have rates established by classifying each group home program and applying the standardized schedule of rates. The department shall collect information from group providers beginning January 1, 1990, in order to classify each group home program.

(2) Notwithstanding paragraph (1), foster care providers licensed as group homes shall have rates established only if the group home is organized and operated on a nonprofit basis as required under subdivision (h) of Section 11400. The department shall terminate the rate effective January 1, 1993, of any group home not organized and operated on a nonprofit basis as required under subdivision (h) of Section 11400.

(3) (A) The department shall determine, consistent with the requirements of this chapter and other relevant requirements under law, the rate classification level (RCL) for each group home program on a biennial basis. Submission of the biennial rate application shall be made according to a schedule determined by the department.

(B) The department shall adopt regulations to implement this paragraph. The adoption, amendment, repeal, or readoption of a regulation authorized by this paragraph is deemed to be necessary for the immediate preservation of the public peace, health and

safety, or general welfare, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted from the requirement to describe specific facts showing the need for immediate action.

(b) A group home program shall be initially classified, for purposes of emergency regulations, according to the level of care and services to be provided using a point system developed by the department and described in the report, “The Classification of Group Home Programs under the Standardized Schedule of Rates System,” prepared by the State Department of Social Services, August 30, 1989.

(c) The rate for each RCL has been determined by the department with data from the AFDC-FC Group Home Rate Classification Pilot Study. The rates effective July 1, 1990, were developed using 1985 calendar year costs and reflect adjustments to the costs for each fiscal year, starting with the 1986–87 fiscal year, by the amount of the California Necessities Index computed pursuant to the methodology described in Section 11453. The data obtained by the department using 1985 calendar year costs shall be updated and revised by January 1, 1993.

(d) As used in this section, “standardized schedule of rates” means a listing of the 14 rate classification levels, and the single rate established for each RCL.

(e) Except as specified in paragraph (1), the department shall determine the RCL for each group home program on a prospective basis, according to the level of care and services that the group home operator projects will be provided during the period of time for which the rate is being established.

(1) (A) For new and existing providers requesting the establishment of an RCL, and for existing group home programs requesting an RCL increase, the department shall determine the RCL no later than 13 months after the effective date of the provisional rate. The determination of the RCL shall be based on a program audit of documentation and other information that verifies the level of care and supervision provided by the group home program during a period of the two full calendar months or 60 consecutive days, whichever is longer, preceding the date of the program audit, unless the group home program requests a lower RCL. The program audit shall not cover the first six months of operation under the provisional rate. Pending the department’s

issuance of the program audit report that determines the RCL for the group home program, the group home program shall be eligible to receive a provisional rate that shall be based on the level of care and service that the group home program proposes it will provide. The group home program shall be eligible to receive only the RCL determined by the department during the pendency of any appeal of the department's RCL determination.

(B) A group home program may apply for an increase in its RCL no earlier than two years from the date the department has determined the group home program's rate, unless the host county, the primary placing county, or a regional consortium of counties submits to the department in writing that the program is needed in that county, that the provider is capable of effectively and efficiently operating the proposed program, and that the provider is willing and able to accept AFDC-FC children for placement who are determined by the placing agency to need the level of care and services that will be provided by the program.

(C) To ensure efficient administration of the department's audit responsibilities, and to avoid the fraudulent creation of records, group home programs shall make records that are relevant to the RCL determination available to the department in a timely manner. Except as provided in this section, the department may refuse to consider, for purposes of determining the rate, any documents that are relevant to the determination of the RCL that are not made available by the group home provider by the date the group home provider requests a hearing on the department's RCL determination. The department may refuse to consider, for purposes of determining the rate, the following records, unless the group home provider makes the records available to the department during the fieldwork portion of the department's program audit:

(i) Records of each employee's full name, home address, occupation, and social security number.

(ii) Time records showing when the employee begins and ends each work period, meal periods, split shift intervals, and total daily hours worked.

(iii) Total wages paid each payroll period.

(iv) Records required to be maintained by licensed group home providers under Title 22 of the California Code of Regulations that are relevant to the RCL determination.

(D) To minimize financial abuse in the startup of group home programs, when the department's RCL determination is more than three levels lower than the RCL level proposed by the group home provider, and the group home provider does not appeal the department's RCL determination, the department shall terminate the rate of a group home program 45 days after issuance of its program audit report. When the group home provider requests a hearing on the department's RCL determination, and the RCL determined by the director under subparagraph (E) is more than three levels lower than the RCL level proposed by the group home provider, the department shall terminate the rate of a group home program within 30 days of issuance of the director's decision. Notwithstanding the reapplication provisions in subparagraph (B), the department shall deny any request for a new or increased RCL from a group home provider whose RCL is terminated pursuant to this subparagraph, for a period of no greater than two years from the effective date of the RCL termination.

(E) A group home provider may request a hearing of the department's RCL determination under subparagraph (A) no later than 30 days after the date the department issues its RCL determination. The department's RCL determination shall be final if the group home provider does not request a hearing within the prescribed time. Within 60 days of receipt of the request for hearing, the department shall conduct a hearing on the RCL determination. The standard of proof shall be the preponderance of the evidence and the burden of proof shall be on the department. The hearing officer shall issue the proposed decision within 45 days of the close of the evidentiary record. The director shall adopt, reject, or modify the proposed decision, or refer the matter back to the hearing officer for additional evidence or findings within 100 days of issuance of the proposed decision. If the director takes no action on the proposed decision within the prescribed time, the proposed decision shall take effect by operation of law.

(2) Group home programs that fail to maintain at least the level of care and services associated with the RCL upon which their rate was established shall inform the department. The department shall develop regulations specifying procedures to be applied when a group home fails to maintain the level of services projected, including, but not limited to, rate reduction and recovery of overpayments.

(3) The department shall not reduce the rate, establish an overpayment, or take other actions pursuant to paragraph (2) for any period that a group home program maintains the level of care and services associated with the RCL for children actually residing in the facility. Determinations of levels of care and services shall be made in the same way as modifications of overpayments are made pursuant to paragraph (2) of subdivision (b) of Section 11466.2.

(4) A group home program that substantially changes its staffing pattern from that reported in the group home program statement shall provide notification of this change to all counties that have placed children currently in care. This notification shall be provided whether or not the RCL for the program may change as a result of the change in staffing pattern.

(f) (1) The standardized schedule of rates for the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, and 2007–08 fiscal years is:

Rate	Point Ranges	FY 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, and 2007-08 Standard Rate
Classification Level		
1	Under 60	\$1,454
2	60- 89	1,835
3	90-119	2,210
4	120-149	2,589
5	150-179	2,966
6	180-209	3,344
7	210-239	3,723
8	240-269	4,102
9	270-299	4,479
10	300-329	4,858
11	330-359	5,234
12	360-389	5,613
13	390-419	5,994
14	420 & Up	6,371

(2) (A) For group home programs that receive AFDC-FC payments for services performed during the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, and 2008–09 fiscal years,

the adjusted RCL point ranges below shall be used for establishing the biennial rates for existing programs, pursuant to paragraph (3) of subdivision (a) and in performing program audits and in determining any resulting rate reduction, overpayment assessment, or other actions pursuant to paragraph (2) of subdivision (e):

Rate Classification	Adjusted Point Ranges for the 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, and 2008-09 Fiscal Years
Level	Years
1	Under 54
2	54- 81
3	82-110
4	111-138
5	139-167
6	168-195
7	196-224
8	225-253
9	254-281
10	282-310
11	311-338
12	339-367
13	368-395
14	396 & Up

(B) Notwithstanding subparagraph (A), foster care providers operating group homes during the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, and 2008–09 fiscal years shall remain responsible for ensuring the health and safety of the children placed in their programs in accordance with existing applicable provisions of the Health and Safety Code and community care licensing regulations, as contained in Title 22 of the Code of California Regulations.

(C) Subparagraph (A) shall not apply to program audits of group home programs with provisional rates established pursuant to paragraph (1) of subdivision (e). For those program audits, the RCL point ranges in paragraph (1) shall be used.

(g) (1) (A) For the 1999–2000 fiscal year, the standardized rate for each RCL shall be adjusted by an amount equal to the

California Necessities Index computed pursuant to the methodology described in Section 11453. The resultant amounts shall constitute the new standardized schedule of rates, subject to further adjustment pursuant to subparagraph (B).

(B) In addition to the adjustment in subparagraph (A), commencing January 1, 2000, the standardized rate for each RCL shall be increased by 2.36 percent, rounded to the nearest dollar. The resultant amounts shall constitute the new standardized schedule of rates.

(2) Beginning with the 2000–01 fiscal year, the standardized schedule of rates shall be adjusted annually by an amount equal to the CNI computed pursuant to Section 11453, subject to the availability of funds. The resultant amounts shall constitute the new standardized schedule of rates.

(3) Effective January 1, 2001, the amount included in the standard rate for each Rate Classification Level (RCL) for the salaries, wages, and benefits for staff providing child care and supervision or performing social work activities, or both, shall be increased by 10 percent. This additional funding shall be used by group home programs solely to supplement staffing, salaries, wages, and benefit levels of staff specified in this paragraph. The standard rate for each RCL shall be recomputed using this adjusted amount and the resultant rates shall constitute the new standardized schedule of rates. The department may require a group home receiving this additional funding to certify that the funding was utilized in accordance with the provisions of this section.

(4) Effective January 1, 2008, the amount included in the standard rate for each RCL for the wages for staff providing child care and supervision or performing social work activities, or both, shall be increased by 5 percent, and the amount included for the payroll taxes and other employer-paid benefits for these staff shall be increased from 20.325 percent to 24 percent. The standard rate for each RCL shall be recomputed using these adjusted amounts, and the resulting rates shall constitute the new standardized schedule of rates.

(h) The standardized schedule of rates pursuant to subdivisions (f) and (g) shall be implemented as follows:

(1) Any group home program that received an AFDC-FC rate in the prior fiscal year at or above the standard rate for the RCL in the current fiscal year shall continue to receive that rate.

(2) Any group home program that received an AFDC-FC rate in the prior fiscal year below the standard rate for the RCL in the current fiscal year shall receive the RCL rate for the current year.

(i) (1) The department shall not establish a rate for a new program of a new or existing provider, or for an existing program at a new location of an existing provider, unless the provider submits a letter of recommendation from the host county, the primary placing county, or a regional consortium of counties that includes all of the following:

(A) That the program is needed by that county.

(B) That the provider is capable of effectively and efficiently operating the program.

(C) That the provider is willing and able to accept AFDC-FC children for placement who are determined by the placing agency to need the level of care and services that will be provided by the program.

(D) That, if the letter of recommendation is not being issued by the host county, the primary placing county has notified the host county of its intention to issue the letter and the host county was given the opportunity 30 days to respond to this notification and to discuss options with the primary placing county.

(2) The department shall encourage the establishment of consortia of county placing agencies on a regional basis for the purpose of making decisions and recommendations about the need for, and use of, group home programs and other foster care providers within the regions.

(3) The department shall annually conduct a county-by-county survey to determine the unmet placement needs of children placed pursuant to Section 300 and Section 601 or 602, and shall publish its findings by November 1 of each year.

(j) The department shall develop regulations specifying ratesetting procedures for program expansions, reductions, or modifications, including increases or decreases in licensed capacity, or increases or decreases in level of care or services.

(k) (1) For the purpose of this subdivision, “program change” means any alteration to an existing group home program planned by a provider that will increase the RCL or AFDC-FC rate. An increase in the licensed capacity or other alteration to an existing group home program that does not increase the RCL or AFDC-FC rate shall not constitute a program change.

(2) For the 1998–99, 1999–2000, and 2000–01 fiscal years, the rate for a group home program shall not increase, as the result of a program change, from the rate established for the program effective July 1, 2000, and as adjusted pursuant to subparagraph (B) of paragraph (1) of subdivision (g), except as provided in paragraph (3).

(3) (A) For the 1998–99, 1999–2000, and 2000–01 fiscal years, the department shall not establish a rate for a new program of a new or existing provider or approve a program change for an existing provider that either increases the program’s RCL or AFDC-FC rate, or increases the licensed capacity of the program as a result of decreases in another program with a lower RCL or lower AFDC-FC rate that is operated by that provider, unless both of the following conditions are met:

(i) The licensee obtains a letter of recommendation from the host county, primary placing county, or regional consortium of counties regarding the proposed program change or new program.

(ii) The county determines that there is no increased cost to the General Fund.

(B) Notwithstanding subparagraph (A), the department may grant a request for a new program or program change, not to exceed 25 beds, statewide, if both of the following conditions are met:

(i) The licensee obtains a letter of recommendation from the host county, primary placing county, or regional consortium of counties regarding the proposed program change or new program.

(ii) The department determines that the new program or program change will result in a reduction of referrals to state hospitals during the 1998–99 fiscal year.

(l) General unrestricted or undesignated private charitable donations and contributions made to charitable or nonprofit organizations shall not be deducted from the cost of providing services pursuant to this section. The donations and contributions shall not be considered in any determination of maximum expenditures made by the department.

(m) The department shall, by October 1 of each year, commencing October 1, 1992, provide the Joint Legislative Budget Committee with a list of any new departmental requirements established during the previous fiscal year concerning the operation of group homes, and of any unusual, industrywide increase in costs associated with the provision of group care that may have

significant fiscal impact on providers of group homes care. The committee may, in fiscal year 1993–94 and beyond, use the list to determine whether an appropriation for rate adjustments is needed in the subsequent fiscal year.

SEC. 2. Section 18358 of the Welfare and Institutions Code is amended to read:

18358. The definitions contained in this section shall govern the construction of this chapter, unless the context requires otherwise:

(a) “Department” means the State Department of Social Services.

(b) “Eligible children” means children who meet both of the following conditions:

(1) Children who are emotionally disturbed, or who have a serious behavioral problem, as evidenced by a history that may include, but is not limited to, the following:

- (A) Lying.
- (B) Stealing.
- (C) Verbal or physical aggression.
- (D) Unacceptable sexual behavior.
- (E) Attempts at self-harmful behaviors.
- (F) Defiant and oppositional behavior.

(2) Children who, as a result of their emotional disturbance or serious behavioral problem, satisfy one or more of the following criteria:

(A) Are placed in a group home with a rate classification level of nine or higher pursuant to Section 11462.

(B) Have been assessed by the child’s county interagency review team or county placing agency as at imminent risk of psychiatric hospitalization or placement in a group home with a rate classification level of nine or higher pursuant to Section 11462.

(C) Were previously in a group home program, except children on probation or otherwise in the custody of the juvenile court for any violent felony, as defined in subdivision (c) of Section 667.5 of the Penal Code.

(D) Are voluntarily placed in a group home with a rate classification level of 9 or higher pursuant to Section 7572.5 of the Government Code.

SEC. 3. Section 18358.05 of the Welfare and Institutions Code is amended to read:

18358.05. (a) The department shall implement intensive treatment foster care programs for eligible children.

(b) (1) The department shall implement the program in any participating county that applies for and receives the department's approval for an intensive treatment foster care program rate.

(2) Upon application to the department, the county shall do all of the following:

(A) Identify the population of children to be served, including, but not limited to, the rate classification levels from 9 to 14, inclusive, pursuant to subparagraph (A) of paragraph (2) of subdivision (b) of Section 18358, that the county has chosen to include.

(B) Certify that participating foster family agencies have the required personnel, administrative support, financial services, and resources to successfully participate in the program.

(C) Project savings or cost neutrality to the state General Fund.

(D) Provide a plan for monitoring the participating foster family agencies for compliance with this chapter.

(3) Each participating foster family agency may, with the approval of the host county, accept placements from counties other than the host county.

(c) No more than a total of 1,000 children who were in, or at imminent risk of being placed in, group homes with rate classification levels of 9 to 11, inclusive, pursuant to Section 11462, may be placed in intensive treatment foster care programs at the same time, from January 1, 2009, to December 31, 2011, inclusive. This limitation does not include children in the Title IV-E waiver demonstration project Counties of Alameda and Los Angeles.

SEC. 4. Section 18358.10 of the Welfare and Institutions Code is amended to read:

18358.10. Each foster family agency participating in this program shall enter into a contract or memorandum of understanding with the county and provide all of the following personnel and administrative and support services:

(a) (1) Special attention to the selection and training of foster parents.

(2) All participating intensive treatment foster care (ITFC) foster parents shall be provided with at least 40 hours of training in the care of emotionally disturbed children or children who have a

serious behavioral problem before becoming an ITFC parent, and before placement of a child pursuant to this program, 32 hours of ongoing in-service training within the first 12 months after becoming a certified ITFC parent, and 12 hours of ongoing in-service training each year thereafter. Training shall include, but not be limited to, working with abused and neglected children, behavior deescalation techniques, and cardiopulmonary resuscitation and first aid. All training shall be completed prior to the child's placement in the home. In two-parent homes, placement may be made after one parent has completed 40 hours of training, provided that an additional 20 hours of ongoing in-service training are completed within 12 months after becoming an ITFC foster parent, and provided that the second parent has completed 40 hours of training and completes an additional 20 hours of training within the first six months of certification of the foster parent as an ITFC foster parent.

(3) Upon approval of the county interagency review team or the county placing agency, the training requirements specified in paragraph (2) for a participating foster parent in this program may be waived for foster parents with prior experience that includes, but is not limited to, working for at least one year with emotionally disturbed children or children who have a serious behavioral problem.

(4) Foster parents shall be provided with all necessary support services.

(b) Caseloads for participating social work case managers that average eight children, except as provided in paragraph (1) of subdivision (b) of Section 18358.30.

(c) The specific assignment to each certified family home of a trained support counselor with experience in residential treatment.

(1) The support counselor shall have one of the following:

(A) A bachelor's degree in a social science related field and at least six months of experience in working with emotionally disturbed children or children who have a serious behavioral problem.

(B) An associate degree in a social science related field and have at least one year's experience in working with emotionally disturbed children or children who have a serious behavioral problem.

(C) Upon approval of the county interagency review team or the county placing agency, the educational requirements may be waived for support counselors with at least two years of experience working with emotionally disturbed children or children who have a serious behavioral problem, and who demonstrate a combination of education, skills, and experience that meets the specific cultural and linguistic needs of the target population.

(2) Each participating foster family agency shall provide each support counselor with 40 hours of training to include, but not be limited to, working with abused and neglected children, behavior deescalation techniques, cardiopulmonary resuscitation, first aid, and developing treatment plans for emotionally disturbed children or children who have a serious behavioral problem. All training shall be completed prior to placing a child in a certified family home for which the support counselor is assigned responsibility. An additional 20 hours of ongoing in-service training is required within the first 12 months after becoming an ITFC support counselor.

(3) Each support counselor shall provide support service to the child and the foster family. This service shall include, but not be limited to, structuring a safe environment for the child, collateral contacts, and any administrative or training functions necessary to implement the child's needs and services plan. The child's needs and services plan shall ensure that services meet the child's needs and are appropriate to and consistent with the minimum level of service specified in Section 18358.30. The child's individual needs and services plan shall be reviewed and approved by the certified foster parents.

(d) Coordination services with local education agencies and the service provider's nonpublic school, where applicable.

(e) A 24-hour on call administrator who is available to respond to emergency situations.

SEC. 5. Section 18358.15 of the Welfare and Institutions Code is amended to read:

18358.15. (a) Each foster family agency participating in the program shall develop the child's needs and services plan, and have it agreed to by the county interagency review team, or county placing agency, and certified foster parents. Each foster family agency participating in the program shall provide the services and supports identified in the needs and services plan which are

allowable under California's foster care program in accordance with Sections 11460 and 11463, and their implementing regulations. Each foster family agency shall also arrange for the services needed by each child and for which the child meets eligibility criteria under applicable publicly funded programs, including, but not limited to, mental health, education, and health services. The foster family agency shall arrange for these services funded by those publicly funded programs to be delivered either by the private nonprofit organization that also operates the foster family agency or by another qualified provider. Children in the ITFC program who meet the public mental health system criteria for mental health services and supports shall have those services and supports funded by the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) program pursuant to Section 5778 and other appropriate mental health system sources. This subdivision shall not be construed to change the eligibility criteria for EPSDT benefits or services pursuant to federal law. The services that the foster family agency shall provide or arrange for include, but are not limited to, the following:

(1) Individualized needs and services plans that ensure continuity and stability in the placement of participating children in certified family homes that meet the needs of eligible children, including children making the transition from institutional placement to noninstitutional placement. The needs and services plan for each child in placement shall describe the specific needs of the child and the appropriate level of services provided to the child pursuant to Section 18358.30.

(2) Education and mental health services for children.

(3) In-home and support services necessary to implement the case plan.

(4) Other necessary services for children in placement, including medical and dental services.

(b) No more than one emotionally disturbed child or child who has a serious behavioral problem shall be placed in a certified ITFC family home unless the participating foster family agency provides the placing or participating county welfare department with a written assessment of the risk and compatibility of placing together two children who are emotionally disturbed or have a serious behavioral problem. More than two children who are emotionally disturbed or have serious behavioral problems who are siblings

may be placed together in the same certified family home if the placement is approved by the county interagency review team or the county placing agency of the participating county. However, there shall be no more than a total of five children living in a certified family home with two adults, and there shall be no more than a total of three children living in a certified family home with one adult, except in cases where children living in the home other than those placed pursuant to this chapter are 15 years of age or older.

(c) Any use of physical contact to manage the behavior of a child that is reported to the foster family agency pursuant to Section 18538.25 shall in turn be reported by the foster family agency to the Community Care Licensing Division of the department as a special incident pursuant to Section 80061 of Title 22 of the California Code of Regulations.

SEC. 6. Section 18358.20 of the Welfare and Institutions Code is amended to read:

18358.20. In addition to the requirements of Sections 18358.10 and 18358.15, any foster family agency that serves children under this program shall have a contract or memorandum of understanding with the county prior to accepting referrals of children. The contract or memorandum of understanding shall identify how the foster family agency will provide or arrange for the following services and activities:

(a) An effective 24 hours a day, seven days a week social work emergency response service. The plan shall include the criteria for an in-person response and define the timeframe in which in-person response will be made.

(b) Mental health coverage available as needed for mental health emergencies.

(c) Development of a service plan approved by the placing county for each child within one month of placement that thoroughly assesses the unique needs and strengths of the child in the life domains specified in paragraph (1), and identifies the necessary services and supports to improve outcomes.

(1) For purposes of this section, “life domains” means the framework of important aspects of a child’s life to be assessed in the child’s service plan, including, but not limited to, the following:

(A) Safety.

(B) Emotional and psychological well-being.

- (C) Behavioral.
- (D) Family and living situation.
- (E) Social and recreational.
- (F) Cultural and spiritual.
- (G) Educational and vocational.
- (H) Health.
- (I) Developmental.
- (2) Applicable services and supports associated with each life domain, which may include, but are not limited to, the following:
 - (A) The child's need for mental health service interventions.
 - (B) Individual or group mental health treatment services.
 - (C) Psychotropic medication and monitoring.
 - (D) Behavior analysis, positive behavioral interventions, and behavioral modification techniques.
 - (E) Interventions designed to prevent entry or reentry into the juvenile justice system.
 - (F) Family reunification services, parent training, or other support services needed to return the child home, or when that is not possible, to establish, reestablish, or reinforce a lifelong relationship with a caring adult.
 - (G) Family finding services to support and enhance access to lifelong permanent relationships with relative and nonrelative kin.
 - (H) Targeted life skills training and resources to ensure appropriate access to social and recreational resources and relationships, as needed to support the achievement of important developmental milestones.
 - (I) Mentoring or developing of positive adult relationships.
 - (J) Education supports, as needed to maintain and enhance the child's educational success and stability.
 - (K) Education liaison services as needed to support the child's education in the least restrictive environment.
 - (L) Respite care.
 - (M) Support counselors.
 - (N) Case management to ensure appropriate and effective coordination of activities and resources as identified in the needs and services plan.
- (d) A system for recruiting, training, and supervising qualified in-home support counselors.
- (e) A system of record keeping that documents the delivery of services and supports to each child. This documentation shall be

summarized and submitted on an annual basis to the county. Each agency shall report the type and cost of the services delivered.

(f) Written policies and procedures on how the program will be structured to ensure the safety of the child, how suicide attempts, runaways, sexual acting out or, violent and assaultive behavior will be handled, and what will occur to reduce or eliminate future episodes.

(g) Written procedures on frequency of treatment plan review, modifications of treatment plans, and the role of the foster family and the child's parents in development of the treatment plan.

(h) A process for recruitment, selection and training of foster parents, including respite foster parents. The training curriculum shall include the following areas, at a minimum:

- (1) Alternative forms of discipline.
- (2) Child growth and development.
- (3) Behavior management techniques.
- (4) Differential needs and treatment of children.
- (5) Behavior deescalation techniques.

(i) Arranging for the provision of respite care services and frequency of respite care.

(j) Social work staffing. Social workers shall have a master's degree consistent with subdivision (e) of Section 1506 of the Health and Safety Code, and shall have at least one year of experience working with seriously emotionally disturbed children or children who have a serious behavioral problem.

(k) Other staff or contract services to be utilized in service delivery, the tasks and responsibilities of those individuals, and the training they will receive.

(l) An evaluation component that includes quarterly reporting to the department of the following data, by age group. The department shall publish the data annually.

- (1) Number of children placed under this chapter.
- (2) Number of prior foster care placements for each child prior to entering the ITFC program.
- (3) Outcomes for children referred to the program, including:
 - (A) Percentage of children discharged to a more intensive program.
 - (B) Percentage of children discharged to a less restrictive program, short of permanency.
 - (C) Percentage of children who drop down an ITFC level.

(D) Percentage of children discharged to reunification with a parent or guardian.

(E) Percentage of children discharged to adoption.

(F) Percentage of children discharged to kin guardianship.

(G) Percentage of children discharged to other permanent outcome.

(H) Percentage of children hospitalized.

(I) Number of ITFC families in which a child was placed.

(J) Percentage of children continuing in placement.

(m) A plan for surveying placing counties annually to ascertain and report to the department on the following:

(1) Quality of services provided.

(2) Progress toward treatment goals.

SEC. 7. Section 18358.23 of the Welfare and Institutions Code is amended to read:

18358.23. In addition to the requirements of paragraph (2) of subdivision (b) of Section 18358.05, participating counties shall do all of the following:

(a) Determine the placement of eligible children in intensive treatment foster care programs. All children placed in the programs shall either have a completed level of care assessment indicating a need for services greater than regular foster care or have their placement reviewed by the participating county's existing interagency review team or county placing agency.

(b) Enter into contracts or memoranda of understanding with participating foster family agencies.

(c) Provide routine case management services.

(d) Monitor the implementation of the case plan for the child.

SEC. 8. Section 18358.25 of the Welfare and Institutions Code is amended to read:

18358.25. (a) Certified foster parents participating under this chapter shall ensure the well-being of emotionally disturbed children or children with a serious behavioral problem under their care. This care includes, but is not limited to, all of the following:

(1) Participation in initial and ongoing in-service training and demonstration pursuant to Section 18358.1 and demonstration of an understanding of and ability to meet the needs of emotionally disturbed children or children with a serious behavioral problem.

(2) Participation in the implementation of the individual case plan and in the development and implementation of the needs and services plan for the child.

(3) Ensuring that the child's medical and dental needs are met.

(b) To the extent possible, certified foster parents selected under this chapter shall have a background in special education, psychological counseling, nursing, or child development.

(c) (1) All certified foster parents selected to participate in this program shall rent, lease, or own their own homes which shall be certified by the foster family agency.

(2) The home of certified foster parents shall be within reasonably close proximity to the participating foster family agency or a satellite location of the agency, and to the extent possible, close to the child's family and community.

(d) (1) All certified foster parents shall report any special incident pursuant to Section 80061 of Title 22 of the California Code of Regulations. Additionally, any use of physical contact to manage the behavior of a child shall be reported as a special incident.

(2) Certified foster parents shall report incidents to the participating foster family agency, which shall report the incidents to the Community Care Licensing Division of the department pursuant to Section 18358.15.

SEC. 9. Section 18358.30 of the Welfare and Institutions Code is amended to read:

18358.30. (a) Rates for foster family agency programs participating under this chapter shall be exempt from the current AFDC-FC foster family agency ratesetting system.

(b) Rates for foster family agency programs participating under this chapter shall be set according to the appropriate service and rate level based on the level of services provided to the eligible child and the certified foster family. For an eligible child placed from a group home program, the service and rate level shall not exceed the rate paid for group home placement. For an eligible child assessed by the county interagency review team or county placing agency as at imminent risk of group home placement or psychiatric hospitalization, the appropriate service and rate level for the child shall be determined by the interagency review team or county placing agency at time of placement. In all of the service and rate levels, the foster family agency programs shall:

(1) Provide social work services with average caseloads not to exceed eight children per worker, except that social worker average caseloads for children in Service and Rate Level E shall not exceed 12 children per worker.

(2) Pay an amount not less than one thousand two hundred dollars (\$1,200) per child per month to the certified foster parent or parents.

(3) Perform activities necessary for the administration of the programs, including, but not limited to, training, recruitment, certification, and monitoring of the certified foster parents.

(4) (A) (i) Provide a minimum average range of service per month for children in each service and rate level in a participating foster family agency, represented by paid employee hours incurred by the participating foster family agency, by the in-home support counselor to the eligible child and the certified foster parents depending on the needs of the child and according to the following schedule:

Service and Rate Level	In-Home Support Counselor Hours Per Month
A	98-114 hours
B	81-97 hours
C	64-80 hours
D	47-63 hours

(ii) Children placed at Service and Rate Level E shall receive behavior deescalation and other support services on a flexible, as needed, basis from an in-home support counselor. The foster family agency shall provide one full-time in-home support counselor for every 20 children placed at this level.

(B) When the interagency review team or county placing agency and the foster family agency agree that alternative services are in the best interests of the child, the foster family agency may provide or arrange for services and supports allowable under California's foster care program in lieu of in-home support services required

by subparagraph (A). These services and supports may include, but need not be limited to, activities in the Multidimensional Treatment Foster Care (MTFC) program.

(c) The department or placing county, or both, may review the level of services provided by the foster family agency program. If the level of services actually provided are less than those required by subdivision (b) for the child's service and rate level, the rate shall be adjusted to reflect the level of service actually provided, and an overpayment may be established and recovered by the department.

(d) (1) On and after July 1, 1998, the standard rate schedule of service and rate levels shall be:

Service and Rate Level	Fiscal Year 1998-99 Standard Rate
A	\$3,957
B	\$3,628
C	\$3,290
D	\$2,970
E	\$2,639

(2) (A) On and after July 1, 1999, the standardized schedule of rates shall be adjusted by an amount equal to the California Necessities Index computed pursuant to Section 11453, rounded to the nearest dollar. The resultant amounts shall constitute the new standardized rate schedule, subject to further adjustment pursuant to subparagraph (B), for foster family agency programs participating under this chapter.

(B) In addition to the adjustment in subparagraph (A), commencing January 1, 2000, the standardized schedule of rates shall be increased by 2.36 percent, rounded to the nearest dollar. The resultant amounts shall constitute the new standardized rate schedule for foster family agency programs participating under this chapter.

(3) Beginning with the 2000–01 fiscal year, the standardized schedule of rates shall be adjusted annually by an amount equal to the California Necessities Index computed pursuant to Section 11453, subject to the availability of funds. The resultant amounts, rounded to the nearest dollar, shall constitute the new standard rate schedule for foster family agency programs participating under this chapter.

(e) Rates for foster family agency programs participating under this chapter shall not exceed Service and Rate Level A at any time during an eligible child's placement. An eligible child may be initially placed in a participating intensive foster care program at any one of the five Service and Rate Levels A to E, inclusive, and thereafter placed at any level, either higher or lower, not to exceed a total of six months at any level other than Service and Rate Level E, unless it is determined to be in the best interests of the child by the child's county interagency review team or county placing agency and the child's certified foster parents. The child's county interagency placement review team or county placement agency may, through a formal review of the child's placement, extend the placement of an eligible child in a service and rate level higher than Service and Rate Level E for additional periods of up to six months each.

(f) It is the intent of the Legislature that the rate paid to participating foster family agency programs shall decrease as the child's need for services from the foster family agency decreases. The foster family agency shall notify the placing county and the department of the reduced services and the pilot classification model, and the rate shall be reduced accordingly.

(g) It is the intent of the Legislature to prohibit any duplication of public funding. Therefore, social worker services, payments to certified foster parents, administrative activities, and the services of in-home support counselors that are funded by another public source shall not be counted in determining whether the foster family agency program has met its obligations to provide the items listed in paragraphs (1), (2), (3), and (4) of subdivision (b). The department shall work with other potentially affected state departments to ensure that duplication of payment or services does not occur.

SEC. 10. Section 18358.37 is added to the Welfare and Institutions Code, to read:

18358.37. The department shall develop, in consultation with the counties, providers, and other stakeholders, cost reporting, claiming, and other procedures necessary to maximize federal financial participation.

SEC. 11. No appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for purposes of this act.

Approved _____, 2008

Governor